

Message Text

CONFIDENTIAL

PAGE 01 SEOUL 03965 120941Z
ACTION EB-07

INFO OCT-01 EA-07 ISO-00 STR-04 COME-00 TRSE-00
CIAE-00 INR-07 NSAE-00 L-03 ITC-01 SS-15 NSC-05
SSO-00 NSCE-00 INRE-00 LAB-04 SIL-01 /055 W
-----121016Z 049178 /23
O 120915Z MAY 77
FM AMEMBASSY SEOUL
TO SECSTATE WASHDC IMMEDIATE 3857
INFO AMEMBASSY TAIPEI IMMEDIATE

C O N F I D E N T I A L SEOUL 3965

STATE PASS STR, COMMERCE, LABOR, TREASURY

TAIPEI PASS LANDE

EO 11652: GDS
TAGS: ETRD, TW, KS, US
SUBJECT: NON-RUBBER FOOTWEAR NEGOTIATIONS

REF: TAIPEI 2741

1. FURTHER BACKGROUND ON EMBASSY EFFORTS TO BACKSTOP SKILLED NEGOTIATING TACTICS OF LANDE GROUP FOLLOWS. ON MY INSTRUCTIONS, THE ECONOMIC COUNSELOR TALKED ON MAY 7 TO THE PRINCIPAL KOREAN NEGOTIATOR, ASSISTANT MINISTER OF COMMERCE AND INDUSTRY KIM SUN-KIL AND I TALKED TO DPM NAM DUK-WOO ON MAY 10, IN SUPPORT OF THE NEGOTIATING POSITION PUT FORTH BY STR NEGOTIATOR LANDE.

2. IN THESE CONVERSATIONS, WE NOTED THAT THE EXECUTIVE BRANCH WAS NOT ABANDONING ITS FREE TRADE POSITION, BUT THAT U.S. LAW AND THE NEED TO PROVIDE A MODEST DEGREE OF PROTECTION DURING A PERIOD IN WHICH U.S. INDUSTRY COULD ADJUST REQUIRED THE THE PROPOSED LIMITS ON THE EXPORT OF NON-RUBBER SHOES FROM KOREA AND TAIWAN.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 SEOUL 03965 120941Z

3. WE SAID THAT THE EXECUTIVE BRANCH HAD ATTEMPTED TO GET THE BEST POSSIBLE DEAL IT COULD FOR KOREA. WE FURTHER NOTED THAT BY ACCEPTING THE ORDERLY MARKETING AGREEMENT, KOREA WOULD DO BETTER THAN OTHERWISE, I.E., A SITUATION IN WHICH TAIWAN SIGNED AN AGREEMENT BUT KOREA DID NOT OR IN WHICH NEITHER SIGNED AND UNILATERAL RESTRICTIONS WERE APPLIED BY THE U.S. GOVERNMENT.

4. THE DPM PARTICULARLY NOTED THE DAMAGE TO ITS INDUSTRY, TO THE WELFARE OF ITS WORKERS, AND TO THE U.S. CONSUMERS. HE OBSERVED THAT THE NEGOTIATIONS WERE CARRIED ON UNDER EXTREME TIME PRESSURE, THAT THIS WAS THE FIRST ROLL-BACK THEY HAD EVER BEEN FACED WITH, AND THAT THE NEGOTIATING FLEXIBILITY POSSESSED BY THE NEGOTIATING TEAM WAS MINIMAL. BUT HE SAID THAT KOREA WAS A SMALL COUNTRY AND HAD NO CHOICE BUT TO ACCEPT. NEVERTHELESS, AGREEMENT PROVED IMPOSSIBLE.

5. IN A FLURRY OF ACTIVITY JUST BEFORE THE TEAM WAS SCHEDULED TO DEPART SEOUL MAY 11, THE DPM INDICATED THAT HE HOPED DISCUSSIONS WOULD CONTINUE THAT AFTERNOON. HOWEVER, NEGOTIATOR KIM SAID THERE WAS NO POINT, GIVEN THE USG POSITION, SO THE TEAM DEPARTED. NAM SUBSEQUENTLY EXPRESSED THE HOPE THAT THE TEAM COULD EITHER RETURN TO SEOUL FROM TAIWAN OR A KOREAN TEAM COULD GO TO WASHINGTON. WE REPEATED FOR THE TENTH TIME THERE WAS LITTLE HOPE THAT EITHER WOULD TAKE PLACE.

6. ON MAY 12, AMBASSADOR CALLED THE DPM TO TELL HIM AGAIN THIS WAS THEIR LAST CHANCE, THAT WE HAD NO NEGOTIATING LEEWAY, AND THAT WE WERE NOT SIMPLY BARGAINING. NAM APPEARED TO RECOGNIZE TIME FOR DECISION HAD ARRIVED. SUBSEQUENTLY KIM FROM MCI TOLD US HE AND DPM HAD MET AND AGREED ON POSITION THAT US SHOULD SIGN WITH TAIWAN FIRST AND THAT ON THIS BASIS, ROKG COULD ACCEPT COMPARABLE TREATMENT WITH TAIWAN PLUS A LITTLE SWEETENER
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 SEOUL 03965 120941Z

TO MAKE THE MEDICINE GO DOWN.

7. EMBASSY COMMENT: THIS NEGOTIATION TO DATE HAS NOT FOLLOWED NORMAL KOREAN PATTERN TO NEGOTIATE HARD RIGHT UNTIL THE END AND THEN TO GIVE IN. FROM SEVERAL SIGNS, WE INFER THAT THE DPM EXPECTED TO REACH AGREEMENT BUT EITHER THOUGH WE WERE STILL BARGAINING, AND NEGOTIATIONS WOULD BE MORE RELAXED AS IN PAST, OR WAS NOT IN A POSITION TO TO MAKE HIS VIEWS PREVAIL. HE THEREFORE HAD HOPED THAT THE NEGOTIATIONS WOULD CONTINUE AND THAT THE TWO POSITIONS WOULD SLOWLY CONVERGE, WHICH NOW HOPEFULLY HE UNDERSTANDS IS NOT THE CASE. FURTHERMORE, OTHER FRICTIONS IN THE US-KOREAN RELATIONSHIP HAVE UNDOUBTEDLY MADE KOREANS LESS INCLINED TO COMPROMISE, PARTICULARLY TO ROLLBACK WHICH TOUGH PILL TO SWALLOW. HOWEVER, LATEST WORD TODAY SEEMS TO INDICATE THAT WE MAY NOW HAVE BASIS FOR AGREEMENT.
SNEIDER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOOTWEAR, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Sent Date: 12-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977SEOUL03965
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770167-0535
Format: TEL
From: SEOUL
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770565/aaaacdrq.tel
Line Count: 115
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 75cbb695-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 TAIPEI 2741
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 17-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2547063
Secure: OPEN
Status: NATIVE
Subject: NON-RUBBER FOOTWEAR NEGOTIATIONS
TAGS: ETRD, TW, KS, US
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/75cbb695-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009